

GREENWOOD VILLAGE, Colo.— House Small Business Investigations, Oversight and Regulations Subcommittee Chairman Mike Coffman ,R-CO, today held a field hearing in Greenwood Village, Colo., to examine the implementation of the Patient Protection and Affordable Care Act (PPACA) and its impact on small businesses.

Beginning in 2014, the PPACA employer mandate will require any employer with more than 50 full-time equivalent employees to provide health insurance to their employees. If the employer does not provide insurance and at least one full-time employee receives a premium subsidy to purchase health insurance through the new health insurance exchanges, a penalty of \$2,000 per employee will be assessed. Moreover, employers with more than 50 employees that *do offer*

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have at least one full-time employee receiving a premium credit will pay \$3,000 for each employee receiving the credit or \$2,000 per full-time employee.

A recent survey by Fidelity Investments found that 22 percent of small employers are seriously considering eliminating health care coverage due to the mandate.

“This is a lose-lose situation for small employers,” said Coffman. “A health care law that is supposed to increase coverage for all Americans has instead left employers with no other choice than to decide if it is more cost effective to provide insurance to employees or cheaper to not provide the benefit and pay the penalty. Other employers are faced with the decision to lay off workers or freeze hiring in order to have the means to provide the mandated insurance. The health care law has accomplished nothing other than crushing business growth and killing jobs at a time of great economic distress.

“Small businesses do not want or need more government intrusion into how run their businesses. They should be free to decide exactly what kind of benefits they will offer to employees without repercussions from the federal government.”

For additional hearing documents, [click here](#) .

Notable Witness Quotes:

[Matt Tynan, Secretary and Treasurer of Tynan's VW, Nissan, Kia in Aurora, Colo., said](#) , *"Instead of trying to do the best by our employees, it will become a simple math calculation. Is the fine less than providing coverage for our people? The same law that mandates we provide this coverage provides a loophole so we don't have to? How does that make sense?"*

[Mark Rogers, President and Chief Operating Officer of Roaring Fork Restaurants in Castle Rock, Colo., said](#) , *"[T]he effects of the new law are anti-small business growth, by inadvertently discouraging many franchisees from owning and operating multiple locations, creating a competitive disadvantage for franchisees who do own more than one or two locations, and barriers to entrepreneurs who are looking to capitalize on the franchise business model to grow their business and hire more workers. The real irony here is that in the name of expanding health care coverage, Congress and the administration are making it more difficult for workers to enter and eventually be promoted in the workforce at a time when we need job growth."*

[John W. Leever, President of Leever Supermarkets Inc., in Franktown, Colo., said](#) , *"[T]he Affordable Care Act has placed our small business between a 'rock and a hard place.' The 'Shared Responsibility' provision forces us to try and decide between two bad decisions. We can choose to continue the provision of health benefits and be saddled by unsustainable costs resulting from a mandated increase not only in the number of beneficiaries we must cover under our plans, but also the richness of the benefit we must offer. The alternative, discontinuing coverage, is equally problematic, and forces us to ignore time tested justifications for providing benefits that will result in severe employee relations issues. Thus, unless significant changes are made to the Affordable Care Act, it stands to do irreparable damage to many small businesses."*



Mr. Coffman, Chairman, is speaking at a hearing. The text below the image is a repeating pattern of the sentence: "The health care law is a lose-lose situation for small employers." The text is repeated multiple times in a small, dark font.